

# **EXHIBIT 1**

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION

In re

CIRCUIT CITY STORES, INC., et al.,  
Debtors.

Chapter 11

Case No. 08-35653 (KRH)

Jointly Administered

**DECLARATION OF GREGORY MOORE IN SUPPORT OF RESPONSE OF  
CATELLUS OPERATING LIMITED PARTNERSHIP TO LIQUIDATING  
TRUSTEE'S THIRTY-NINTH OMNIBUS OBJECTION TO LANDLORD CLAIMS**  
(Claim No. 7957)

I, Gregory Moore, do hereby declare:

1. I am a First Vice President of Catellus Development Group in Oakland, California which operates the Pacific Commons Shopping Center located in Fremont, California that at all relevant times discussed in this Declaration was owned by Catellus Operating Limited Partnership ("Catellus") and in which Circuit City Stores West Coast, Inc. ("CC West") was a tenant. I am familiar with the matters set forth herein and if called upon could competently testify thereto.

2. During the relevant time period, Catellus owned the real estate commonly known as 43706 Christy Street, Fremont, California, consisting of approximately 34,000 sq. ft. in which Circuit City operated a retail store (hereinafter the "Premises"). The Premises were leased to CC West originally by Catellus Development Corporation, as landlord pursuant to a lease dated December 5, 2003 (the "Lease"). The Premises are part of the Pacific Commons Shopping Center. The Lease had a remaining term that was due to expire on January 31, 2020. Catellus Operating Limited Partnership, a Delaware limited partnership, is the successor-in-interest to

Catellus Development Corporation, a Delaware corporation, the original landlord under the Lease.

3. In early January of 2009, after the rejection of the Lease of the Premises by CC West, Catellus engaged Cornish & Carey, a commercial real estate firm, as its listing agent for the Pacific Commons Shopping Center, to find a substitute tenant for the space previously occupied by CC West. Cornish & Carey was selected for its expertise in commercial real estate in Northern California and its familiarity with Pacific Commons Shopping Center, in particular.

4. When CC West vacated the Premises it occupied at Pacific Commons Shopping Center, it triggered two co-tenancy failures with other tenants in that center, specifically, Old Navy and Office Depot. These co-tenancy failures resulted in reduced penalty rent to Catellus and, in the case of Old Navy, an ongoing termination right until the co-tenancy failure was cured. Because both of the size of the space that was vacated by Circuit City and the co-tenancy financial impacts as a result of Circuit City's vacancy of the Premises, there was obviously a great sense of urgency on the part of Catellus to re-lease the space. However, co-tenancy issues also required finding an appropriate tenant that would satisfy the tenant mix requirements of the center. Cornish & Carey used all the typical means of marketing a space of this nature and locating an appropriate tenant for the Pacific Commons Shopping Center, including, but not limited to, brochures for prospective tenants, mass e-mail correspondence through their customer database, and presentations at ICSC meetings.


5. Based on these efforts, Catellus was able to enter into a lease for the premises previously occupied by CC West with Nordstrom Rack in September of 2010. The lease has a term of ten (10) years which commenced on March 24, 2011. The lease term expires on March 31, 2021. The lease provides for base rent during the first five (5) years at \$47,901

with the remaining five (5) years at a base rent of \$52,779. In addition, Nordstrom Rack is responsible for common area maintenance charges, insurance and property taxes.

6. Attached hereto as Exhibit "A" is a spreadsheet which shows an itemization of the revenues that will be collected under the Nordstrom Rack lease from its commencement on March 24, 2011 through January 31, 2020, the end of the term of the CC West lease. As that spreadsheet shows, the total recovery of revenues from the Nordstrom Rack lease for the premises previously occupied by CC West is \$8,201,967.06.

7. However, in entering into this lease, Catellus provided tenant improvements to Nordstrom Rack totaling \$1,659,563. This amount includes approximately \$35,000 in landlord make-ready costs incurred in removing items left by CC West and repairing the premises after the CC West occupancy had terminated. In addition, Catellus paid a real estate commission to Cornish & Carey of \$304,821 for their work in obtaining the Nordstrom Rack lease. Thus, the net mitigation recovery to Catellus from the Nordstrom Rack lease, after deducting these expenses, will be \$6,237,583.06.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 23 day of May, 2012 at Oakland, California.

  
Gregory Moore

# **EXHIBIT A**

Nordstrom - Rent & NNN Charges through end of Circuit City Term

Nordstrom 2012 Monthly Charges

Rent	\$47,981.00	
CAM	\$6,968.51	
Insur	\$2,231.70	
P Tax	\$15,323.33	Monthly share of \$183,880 annual tax allocable to premises, Nordstrom is billed P Tax bi-annually
	\$72,504.54	

Lease Period	Base Rent	Cam	Insurance	Property Tax	Total
3/24/2011-12/31/2011	\$442,663.42	\$64,290.12	\$20,589.23	\$141,370.08	\$668,912.85
1/1/2012-12/31/2012	\$575,772.00	\$83,622.12	\$26,780.40	\$183,879.96	\$870,054.48
1/1/2013-12/31/2013	\$575,772.00	\$87,803.23	\$27,048.20	\$188,476.96	\$879,100.39
1/1/2014-12/31/2014	\$575,772.00	\$92,193.39	\$27,318.69	\$193,188.88	\$888,472.96
1/1/2015-12/31/2015	\$575,772.00	\$96,803.06	\$27,591.87	\$198,018.61	\$898,185.53
1/1/2016-12/31/2016	\$618,954.00	\$101,643.21	\$27,867.79	\$202,969.07	\$951,434.07
1/1/2017-12/31/-2017	\$633,348.00	\$106,725.37	\$28,146.47	\$208,043.30	\$976,263.14
1/1/2018-12/31/2018	\$633,348.00	\$112,061.64	\$28,427.93	\$213,244.38	\$987,081.95
1/1/2019-12/31/2019	\$633,348.00	\$117,664.72	\$28,712.21	\$218,575.49	\$998,300.42
1/1/2020-1/31/2020	\$52,779.00	\$10,295.66	\$2,416.61	\$18,669.99	\$84,161.26
	\$5,317,528.42	\$873,102.52	\$244,899.42	\$1,766,436.71	\$8,201,967.06

Notes:

1. Cam - assumed 5% annual increase
2. Insurance - assumed 1% annual increase and tenant only pays for liability
3. Property Tax - assumed 2.5% annual increase

Monthly Base Rent Schedule through the term of the lease:

3/24/11 - 3/31/16	\$47,981.00
4/1/16 - 3/31/21	\$52,779.00